

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4440-05
Bill No.: SCS for HCS for HB 1140
Subject: Education, Elementary and Secondary; Administration, Office of
Type: Original
Date: April 27, 2012

Bill Summary: This proposal requires financial information about public schools, county and municipal governments to be included on the Missouri Accountability Portal.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Bill as a Whole

Officials at the **Office of Administration's Information Technology Services Division** assume the development effort will be completed with existing resources. It will require a dedicated team of 4-6 programmers, 2 testing staff, and a certified Missouri Project Manager for a 5 month duration.

Officials at the **Department of Elementary and Secondary Education** assume there will be a cost to the school districts which is unknown at this time.

Officials at the **Budget and Planning** defers to Office of Administration for fiscal impact.

Section 37.853 Municipal Government Reporting Requirements

Officials at the **City of Columbia** assume that if the legislation only requires cities to file annual reports, there would be little or no impact. If "the public information applicable to all municipal government" is required then this would be a bigger and quite costly step.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kansas City, Kearney, Kennett, Kirksville, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Linn, Louisiana, Maryland Heights, Maryville, Mexico, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

Oversight assumes this proposal in section 37.853 requires municipalities to provide to the Office of Administration the same information they already provide to the State Auditor. Therefore municipalities should have no fiscal impact from this proposal.

37.857 County Government Reporting Requirements

In response to the previous version of this proposal, officials at the **St. Louis County** assume an impact of less than \$1,000 annually. The County expects to spend less than 8 hours depending on the amount of detail required.

In response to the previous version of this proposal, officials at the **Boone County** assume that since the Office of Administration is charged with creating an acceptable budget document to

ASSUMPTION (continued)

submit the information, that the county could end up having to have two budgets, which is costly to create and maintain. The exact amount of the cost is unknown.

In response to another version of this proposal, officials at **Pike County** stated this proposal may add three to eight hours of bookkeeper work, depending on what format the required information must be submitted.

In response to another version of this proposal, officials at the **Cape Girardeau County** assume the collection of the data would be time consuming and the cost is unknown.

Officials at the following counties: Andrew, Barry, Bates, Buchanan, Butler, Callaway, Camden, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Franklin, Greene, Hickory, Holt, Jackson, Jasper, Jefferson, Johnson, Knox, Laclede, Lafayette, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Pemiscot, Perry, Phelps, Platte, Pulaski, Scott, St. Charles, St. Francois, Taney, Texas, Warren, and Webster did not respond to **Oversight's** request for fiscal impact.

Oversight will show in the fiscal note an Unknown impact to County funds.

Sections 37.855 and 165.111 School Reporting Requirements

Officials at the **Independence School District** assume that the employee compensation portion of the requirement could have a cost. If a general paragraph about benefits available to employees is required then this proposal would have no fiscal impact. However, if each employee's benefits must be identified then there would be impact. The school district has 2,964 FTE and it would cost the time of 1.5 FTE at \$95,000 annually to calculate and report each employee's individual benefits.

In response to another version of this proposal, officials at the **Parkway School District** assume there would be a cost to gather the information, depending on how some of the data is defined, but it should be less than \$10,000.

In response to the previous version of this proposal, officials at the **St. Joseph School District** assume that it is difficult to estimate the cost at this time but they believe they would need to hire additional staff at \$30,000 annually.

Officials at the **Nixa School District** assume this much of this information is available upon request so it should not financially impact the school. However, time would be involved to gather it all and send to the state.

ASSUMPTION (continued)

In response to previous version of this proposal, officials at the **Mexico School District** state they are unable to determine an impact at this time.

Officials at the following schools: Blue Springs Public Schools, Branson Public Schools, Columbia Public Schools, Fair Grove Schools, Francis Howell Public Schools, Jefferson City Public Schools, Kansas City Public School Board, Kirksville Public Schools, Lee Summit Public Schools, Mehlville Public Schools, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Special School District of St. Louis County, St Louis Public Schools, St. Charles Public Schools, and Sullivan Public Schools did not respond to **Oversight's** request for fiscal impact.

Oversight will show in the fiscal note an Unknown impact to School funds.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
LOCAL SCHOOL DISTRICTS			
<u>Cost</u> - school districts implementing this proposal	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICT FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
LOCAL COUNTY FUNDS			
<u>Cost</u> - counties implementing this proposal	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL COUNTY FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

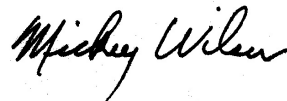
This proposal requires the Office of Administration to include information about public schools, county and municipal governments on the Missouri accountability portal. Municipal governments, including any city not within an county, shall send a copy of their annual report of financial transactions to the Office of Administration. School districts and public charter schools shall annually provide compensation information for employees and the district's annual operating budget and bonded indebtedness. County governments shall annually provide compensation information for elected officials, employee benefits, a copy of their detailed financial statement, cash reserves, bonded indebtedness, and real property lease expenditures.

The act requires the school board of each district to provide a full detailed financial statement containing the names and total compensation packages of each district's superintendent, assistant superintendent, and consultants. The statement shall be forwarded to the Department of Elementary and Secondary Education to be posted on its website.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Boone County
Budget and Planning
Cape Girardeau County
City of Columbia
Department of Elementary and Secondary Education
Independence School District
Mexico School District
Nixa School District
Office of Administration
 Information Technology Services Division
Parkway School District
Pike County
St. Joseph School District
St. Louis County



Mickey Wilson, CPA
Director
April 27, 2012